

POLITICAL REPORT

SASKATCHEWAN PROVINCIAL CONVENTION

NOVEMBER 2nd and 3rd, 1946.

The profound crisis through which the world is passing must be a matter of deep and active concern to the people of Saskatchewan. This crisis grows out of the desperate attempts of the imperialists of the United States, Britain and Canada, to launch offensive war against the Soviet Union, to turn back the clock of history, to halt the growth of the socialist movement in all parts of the world, to place the burden of post-war reconstruction upon the backs of the farmers and workers; in short, to make the world safe for the profits of the great Anglo-American-Canadian monopolies.

The foreign policy which the King government carries through as the willing partner of British and American imperialism has already meant vast financial loss to Saskatchewan's farmers. The Wheat Agreement with Britain is part and parcel of the whole foreign policy of the Dominion government, for that agreement provides British imperialism, at the expense of the farmer, with cheap Canadian wheat which may be used as a weapon to starve into submission those governments of Europe which do not carry out the bidding of the Anglo-American bloc. More than this, the foreign policy of the King government will, unless halted by the united will of the people, bring disaster to Saskatchewan which cannot be measured in terms of money. For the King government with its "Operation Muskox" and "Operation North", and its anti-Soviet spy scare, prepares the ground for the war between the United States and the Soviet Union — the war which is the cherished dream of the great monopolies who say that this must be the American Century; but a war which we must never cease to point out IS NOT INEVITABLE. That war, if it ever came, would be fought in Northwestern Canada with atomic weapons. Our province would then be in the front lines; our cities would feel the searing heat of the atomic bomb; our people would die by the thousands from the plagues which the scientists tell us can be spread in future wars. When we talk of war, let us never again think of it as something that will take place far away. If there is another war, it will be fought here in Saskatchewan and in Canada. The geography of the world places this inescapable fact before us. The only way to keep the next war out of Saskatchewan is to make sure that there is no next war.

As the great Canadian monopolies and their agent, the Government of Canada, get tough with Russia, so at the same time, and quite naturally, they follow the policy of getting tough with the Canadian people. The income of the farmers and the workers is kept down. The prices of manufactured goods are allowed to soar. Ilsley reduces the income tax of a great corporation lawyer earning \$50,000 by \$3210 a year, but he still takes \$118 from a married worker or farmer earning \$2000 a year. Cash income from the sale of farm products in Saskatchewan in 1945 dropped by \$137,600,000 as compared to 1944. The income of Saskatchewan farmers in terms of what they have to buy continued to fall rapidly in the early months of 1946. Dr. George Britnell of the University of Saskatchewan has worked out a ratio between the prices of what the farmer sells and what he has to buy. That ratio fell from 129.1 in January of 1946 to 124.5 in April. This is not to be wondered at in view of the 12½% increase in the price of farm machinery, the increase in gasoline, lumber, and clothing. The price of wheat has been raised 10¢ this fall, but still 160,000,000 bushels of wheat will be given to Great Britain at a loss of 50¢ on every bushel, or \$80,000,000 on the deal. Still the farmer is called upon to subsidize the entire nation by taking a loss on all wheat sold domestically.

The decline in agricultural revenue is paralleled by the decline in the revenue of our secondary Saskatchewan industries, including metallic minerals, coal, clay production, and fisheries.

The period of wartime prosperity is drawing to a close for Saskatchewan. The income of our people is being cut so that Massey-Harris, the C.P.R., the mortgage companies and all the rest may be able to pay still bigger dividends to their shareholders. Slowly, but none the less surely this province is being pushed back into depression.

All these developments at home and throughout the world are not a sign that the capitalist system is becoming stronger. Rather they are indications of desperate weakness. As the socialist Soviet Union plans for rising standards of living, the leaders of the capitalist world can find no way to increase their profits, and still make it possible for the people to consume the vast quantities of goods which our productive capacity makes possible. The New York stock market weakens, warning of depression to come. The area of the earth's surface open to capitalist exploitation grows constantly smaller. Even in its last stronghold, America, the labor and farm movements are fighting militantly to wrest from the capitalists a portion of their profits. Thus capitalism, challenged on every hand, facing new, more devastating economic crises, prepares to fight back with the only weapon left to it—violence — violence against the world's first socialist state, violence against the new democratic governments of Europe, violence against the workers and farmers, here in Canada. In a word, capitalism on this continent increasingly turns to fascism and war as the instruments by which it hopes to solve the contradictions of its system.

There is only one possible answer to the plans of monopoly capitalism. That answer is to be found in the united, militant organization of the people to fight back against the offensive of reaction. That organization of the people is being achieved. For us in Saskatchewan this was proven by the farm strike. In that struggle, thousands of Saskatchewan farmers showed how deeply concerned they were for the future, showed their understanding of the need for militant action. Obvious weaknesses in organization and inadequate preparation were overcome in community after community. Farmers of all religions and all races stood together on the picket line. Unity in action was forged between the Labor-Progressive and C.C.F. farmers, and the C.C.F. leadership did not dare to try to stand in the way. The farmers learned more clearly than ever before who their friends were and who their enemies were. Above all they learned the need for a strong, vital, active farm organization.

The workers of our cities saw in the farm strike a struggle for the same objectives as those sought by the steel workers, auto workers, rubber workers, the electrical workers, and the textile workers. The foundation was laid for farmer-labor unity on a higher level than ever before.

The farm strike was, insofar as Saskatchewan is concerned, the opening engagement of the counter-offensive of the people against monopoly. It has awakened throughout the province a new, deeper and more widespread awareness of the need for united organization to achieve certain very definite objectives. What are these objectives for which the Saskatchewan people are prepared to do battle against monopoly capitalism and the King government? I think the following points represent a program around which the citizens of Saskatchewan are prepared to gather and march:

PARITY PRICES FOR FARM PRODUCTS

In the strike struggle the words "parity prices" became a rallying slogan for tens of thousands of farmers. To them, parity prices are prices for their products which bear such a relationship to their costs of living and farm operation as will insure to them at all times the high standard of living which this rich country is capable of providing to its people. While we as Marxists know that such a goal is not obtainable in any full sense under capitalism, it should be pointed out that in the United States under the Roosevelt administration a great deal was done to achieve prices that are closer to parity than those that have

generally prevailed in Canada. It is beyond the scope of this report to analyse the work done under the Agricultural Adjustment Act and related legislation in the United States. (A good brief summary of this work is contained in the paper submitted to the Provincial government by Dr. G. E. Britnell on the Nature and Validity of the Parity Concept). The point we must make is that no one can claim after the American experiences that the idea of parity prices is without validity. The farm movement should elaborate its concrete proposals for legislation designed to bring about parity prices, and in the discussion of the problem our party should assist in every way possible. The fight for parity prices must be carried into every corner of the province; every organization concerned about the future of our province must be involved.

It should be stressed that parity prices should apply not only to wheat but to other farm products as well. In fact, the price relationships between wheat and hogs should be such as to encourage rather than discourage greater hog production. The decline in hog production and the return to a purely wheat economy is an unhealthy development in Saskatchewan agriculture. A wheat economy is one in which all the eggs are in one basket and when the basket drops, the whole economic fabric of the province is weakened.

It must also be recognized that in the final analysis the price structure of Saskatchewan farm products depends on the export market. Hence the whole foreign policy of the Dominion Government, which determines its trade policies, is of the most tremendous importance to Saskatchewan agriculture. A foreign policy designed to starve out the progressive European governments, a foreign policy which offers no help to the Asiatic peoples striving for freedom and decent standards of life, such a foreign policy offers to Saskatchewan the prospect of nothing but acute agrarian crisis. That is why the fight for a progressive foreign policy is inseparable from the fight for decent prices for the Saskatchewan farmer. Such a progressive foreign policy would provide for generous credits to other governments to enable them to purchase the food we grow in such abundance and which is so desperately needed in other parts of the world. Such a progressive foreign policy would contribute to confidence in the stability of peace, and would lead other countries to rely on obtaining imports from Canada, rather than striving for economic self-sufficiency.

FULL EMPLOYMENT, HIGHER WAGES, SHORTER HOURS FOR SASKATCHEWAN WORKERS

Like the farmers, the working people of Saskatchewan have been faced with rapidly rising costs of living at a time when there are fewer jobs, and when wage rates are rising very slowly indeed in the face of continued wage freezing. It is not generally realized how badly wages in Saskatchewan have lagged behind those in other provinces. On June 1st of this year per capita weekly earnings of Saskatchewan workers stood at \$31.64 a week, which is the lowest of any province west of Quebec and the Maritimes -- areas of notoriously depressed wages. The struggle for higher wages and shorter hours has been slow getting underway in this province. It is the most urgent task facing the trade union movement in Saskatchewan, and in that task our Party must lend every assistance.

The Labor-Progressive Party is firmly in support of a maximum work week of 40 hours, of minimum wage rates no lower than 65¢ an hour. We believe that such rates should be established by the Dominion government through nation-wide legislation, and we will support amendments to the BNA Act to make possible national legislation of this kind. However, we wish to emphasize that failing the enactment of such national legislation, the provincial government will have to assume the responsibility for legislation to provide for higher minimum wages and the 40 hour week. We will oppose, as will the labor movement, any attempt of the Saskatchewan government to scuttle its existing legislation in return for inferior national labor legislation.

CURB THE PROFITEERING OF THE GREAT MONOPOLIES:

The monopolies are reaping huge profits by the present orgy of inflationary price increases which are sucking from the working and farming people, and most especially our returning veterans, the last nickels of their war-time savings. It is not necessary to enumerate the items on which price increases have taken place. It would be easier to enumerate those very few on which there have been no increases. The cost of food and clothing has risen sharply. The cost of production on the farm has risen as a result of price increases in farm machinery, in gasoline and many other articles. Around this question there is the basis for the fullest unity between the worker, the farmer, the housewife, the veteran, the small shopkeeper to roll back prices and keep them rolled back. The lie that higher wages mean higher prices must be nailed once and for all. The increases in farm prices which the farmer justly demands must be taken out of the hides of the middlemen, the millers, and the packers who have been and are salting away great sums of money as a result of the spread between what they pay to the farmer and what they sell at to the consumer.

Saskatchewan in particular must unite against the plot of the railway companies who are demanding a 30% freight rate increase which can only still further aggravate the difference between the freight rates paid in the east and in the west. One way in which freight rates can be kept down is through the fullest utilization of the Hudson Bay Railway, another question around which very great unity of action can be developed throughout the west.

FEDERAL ASSISTANCE FOR SOCIAL SERVICES AND TO BUILD UP SASKATCHEWAN:

Saskatchewan's people need better health services, better educational facilities, higher old age pensions. But because a great part of the wealth we produce is drained away to the great monopolies in the east, and because of the limited taxation powers of provincial governments, it is very difficult for our Saskatchewan government to raise the money to pay for these things. Saskatchewan needs a great irrigation development to make full use of the Saskatchewan river to revolutionize the economy of the southwestern part of our province. 2,000,000 acres of dry lands in southern Alberta and Saskatchewan can be brought under the irrigation ditch for \$110,000,000. At the same time, adequate water supplies from the Saskatchewan river could be insured to the cities of Moose Jaw and Regina now facing exhaustion of their present supplies. Saskatchewan needs a great development in the direction of rural electrification so that economical use may be made of the great hydro-electric site at Fort A la Corne, where a plant can be constructed for \$25,000,000 capable of supplying far more than twice the present electrical consumption of the province. Indeed the plant will not be economical unless there is a great increase in the consumption of electricity.

Saskatchewan needs at least 50,000 new homes.

The Saskatchewan government is by no means in a position to assume all the cost of such developments. For better social services, for higher standards of education and health, for the building up of the economy of the province through irrigation and rural electrification, for the construction of homes, there is a most urgent need for Federal financial assistance. It is the Federal government which alone has the power to tax the great corporations which profit from Saskatchewan, and to return the money so raised to the province in such a way as to benefit the people. But again obviously this is not going to be done, unless the people of this province unite to demand that it be done, and to demand that our provincial government also take up vigorously the struggle for Federal aid along these lines.

A CANADIAN FOREIGN POLICY DEDICATED TO THE FIGHT FOR PEACE:

In a very fundamental sense this is the most important question of all. If the war plans of the Canadian monopolies are

blocked, they will be unable to carry out their attacks on the Canadian people. They will be forced to give concessions in the face of rising public pressure. We have already spoken of the way in which the war plans of the Canadian imperialists threaten first of all the economy of Saskatchewan, and finally the very life of every man, woman and child within this province. The position of our Party on Canadian foreign policy is fully stated in the report of our National Convention, and does not need to be re-iterated here. Suffice to say Saskatchewan must take its place with all the rest of Canada in a great crusade for peace.

These then are the great issues on which the fight between the people of Saskatchewan and the monopolies will be joined. It cannot possibly be stressed too strongly that these issues will be decided in favor of the people ONLY if the people unite together and fight for their solution. This cannot be a question of passing pious resolutions. There must be great conferences, demonstrations, delegations to Ottawa, strike struggles around these issues. There must be an awakening to the urgency of the issues on the part of all the organizations of the people—the United Farmers, the unions, the Legion, the women's organizations, the CCF committees, and last but certainly not least, the clubs of the L.P.P. There must be a development on a higher level than ever before of people's unity in action between all these groups. Only such developments as these will bring immediate gains for the people, and it is only through these developments that the road will be opened for the advance to a socialist Canada.

It is in the light of these considerations that we must judge the CCF government in this province. It should be said first of all that the present Saskatchewan government has enacted a number of very commendable and long overdue reforms, notably in the fields of labor legislation, education, and health. These reforms have not and obviously will not solve any of the deep going economic problems of the people of Saskatchewan—those problems which we have just been outlining in our discussion of a program. The only final solution to these problems lies in socialism—the elimination of exploitation of man by man, the ownership of the means of production by the people, and the distribution of the wealth produced by those means of production for the benefit of all the people. The reforms of the CCF government have nothing in common with socialism. They buying out of a few capitalist business concerns such as the bus lines does not constitute socialism. In the first place, these concerns do not in any way represent the great core of Canadian capitalism which is concentrated in banking, mining, and heavy industry. In the second place, to buy out these concerns simply implies a continuation of the exploitation of the workers in order to pay for the business.

Incidentally, Engels has a very illuminating footnote in "Socialism, Utopian and Scientific" dealing with this very question: "Of late, since Bismarck went in for state ownership of industrial establishments, a kind of spurious socialism has arisen, degenerating now and again into something of flunkeyism, that without more ado declares ALL state ownership, even of the Bismarckian sort, to be socialistic. Certainly, if the taking over by the state of the tobacco industry is socialistic, then Napoleon and Metternich must be numbered amongst the founders of Socialism. If the Belgian state, for quite ordinary political and financial reasons, itself constructed its chief railway lines; if Bismarck, not under any economic compulsion, took over for the state the chief Prussian lines, simply to be the better able to have them in hand in case of war, to bring up the railway employees as voting cattle for the government, and especially to create for himself a new source of income independent of parliamentary votes—this was in no sense a socialistic measure, directly or indirectly, consciously or unconsciously. Otherwise, the Royal Maritime Company, the Royal Porcelain manufacture, and even the regimental tailor of the army would also be socialistic institutions, or even, as was seriously proposed by a sly dog in Frederick William III's reign, the taking over by the state of the brothels."

We must carefully explain to the people of Saskatchewan that the ownership of certain industries by the province no more constitutes socialism than did the public ownership of the railways by Bismarck, the founder of modern German militarism, or than does the public ownership of the Canadian National Railways by the Dominion government, which is not usually suspected of socialist tendencies in CCF circles.

Quite a few of the better informed and more honest CCF people will agree with us that there is no socialism in Saskatchewan today, "But", they will say hopefully, "The reforms we are enacting constitute steps towards socialism". Again we must disagree. The reforms of the CCF government are not even steps towards socialism. Making a reform here and there does not begin to change the nature of capitalism. Capitalism cannot be reformed out of existence. The Fabians—the early English social democrats, used to claim that all that was necessary was to continuously make reforms and one morning we would wake up and find ourselves living in a socialist society. They called it the "Inevitability of Gradualness". It doesn't work out that way. At some stage in the process the capitalists will discover that the reforms are taking too much out of their profits, and at that point they will call a sudden halt, and if the people don't like it there is always the police force and the army to deal with them. In other words, the rule of the capitalists rests upon force in the final analysis. The people can only overcome that rule and establish their own government by being sufficiently united and sufficiently well organized to counteract the force of the capitalist class. In this process, the struggle for reforms plays a very important part, because in that struggle the people learn the power of unity and of organization, and come to understand the need not just for reforming capitalism but for the complete abolition of the capitalist system.

We do not point all these things out because we are indifferent to the limited achievements of the present Saskatchewan government. The members of our party live and work amongst and are part of the people of Saskatchewan. Naturally, we rejoice with the people at every improvement that makes life a little easier for them. When the monopolies launch attacks against good legislation passed by the Saskatchewan government as is the case in connection with the Farm Security Act, the Labor-Progressive Party will be always found in the front ranks of those who defend the interests of our province.

But we do not help the people of Saskatchewan if we fail to fight against the illusions spread by the CCF about the allegedly socialist character of their program. More than that, it is urgently necessary that we develop a very definite criticism of the Saskatchewan government in the following directions:

Firstly, the government fails to give any leadership to the people in the struggle against monopoly capitalism. This is because the government is a social democratic government and therefore sees no necessity to fight against monopoly capitalism. It is true that the Legislative Assembly passes pious resolutions and that cabinet ministers journey regularly to Ottawa to lay the province's case before the Dominion government. Occasionally, Tommy Douglas even makes a radio speech calling for pressure on the Dominion. But that is as far as it ever goes. There is so much more that this government could do to dramatize the fight against monopoly—to bring into action masses of people. They could utilize all the means at their disposal to explain to the people the real issues involved in the present international situation, to warn them against the deadly menace of atomic war. Yet when Watson Thomson tried to use the machinery of the Adult Education Division to this end, he was forced by the Government to resign. Today the CCF is doing precisely nothing in Saskatchewan about the fight for peace. They continue to be the noisy apologists for the infamous imperialist policy pursued by the British Labor government in Indonesia, Greece, India, Palestine, and many other places. Those CCF leaders that do not loudly defend Bevin, condone his actions by their silence.

On such great issues as the Dominion-Provincial conference they could have organized mass meetings in every nook and cranny of the province. They could have sent mass delegations to Ottawa consisting of train loads of representative Saskatchewan citizens who could have camped on Parliament Hill until the Conference took action in the interests of the people. The same thing could have been done in connection with the milk subsidy, and around the farm strike. The CCF government could have used its position to set on foot struggles against monopoly and against Mackenzie King which would have electrified this nation, and galvanized it into action. But the government after two years in office still remains a government which does not fight for the people of Saskatchewan.

Secondly, in carrying through its reform program, the CCF has spent more money on the needs of the people. BUT IT IS NOT ENOUGH JUST TO SPEND MORE MONEY ON THE NEEDS OF THE PEOPLE. THAT MONEY MUST BE SECURED IN SUCH A WAY THAT WEALTH IS REDISTRIBUTED. IT MUST BE TAKEN FROM THOSE WHO HAVE THE MOST AND GIVEN TO THOSE WHO HAVE LESS. A GOVERNMENT WHICH PUTS MONEY INTO THE WORKER'S RIGHT HAND POCKET WHICH IT HAS JUST TAKEN OUT OF HIS LEFT HAND POCKET, IS NOT SOLVING THE WORKER'S PROBLEMS.

The CCF in their provincial program issued before the provincial election stated a number of methods which they would employ in raising the finances to carry out their program. Briefly these were:

1) More Federal assistance. The final deal which it appears will be made with Ottawa will provide some \$5,000,000 more for the Provincial Treasury, but this falls far short of the promises made last year by the Dominion government which also contemplated giving the province \$12,500,000 in health grants, and \$11,000,000 for increased old age pensions. The fact is that the provincial government as we have already pointed out, has failed to fight in any effective way for adequate adjustments of Dominion-Provincial financial relations. They have failed to expose the game played by Drew and Duplessis on the one hand and King on the other. Finally, they have permitted themselves to become the victims of one of Mr. Ilsley's hard bargains.

2) Lowered administrative costs through the elimination of graft and inefficiency. Administrative costs are now much higher than they were under the Liberals. We have no information that this is due to graft. Certainly, however, the increased activity of the government in many fields has led to increased rather than lessened expenses.

3) In the pre-election program these words appear: "The Government can refuse to pay the high interest charges currently levied to service the provincial debt." These were fighting words. What happened? Last year Mr. C. M. Fines, the Provincial Treasurer, was able to announce a reduction in interest charges of three one-hundredths of one percent, with prospects of some further reductions. Mr. Fines describes the "struggle" put up by the government to secure these concessions from the bondholders: "I cannot speak too highly of the courteous reception accorded us (by the bondholders). Much interest was shown in what was happening in Saskatchewan..... It was our task to explain our program, to tell of our accomplishments, and of our plans for the future development of Saskatchewan... We assured the investors, as I stated a year ago in my budget address, that Saskatchewan always will scrupulously honour its fair and just obligations, that it will meticulously safeguard the savings of those who invest in the resources of the province, and that we would act in accordance with justice at all times. I am glad to be able to assure Hon. members tonight that these policies have been followed at all times by this government and will continue to be followed." Thus did the Saskatchewan government "refuse" to pay the bondholder's pound of flesh.

4) Finally, the government was going to obtain money from the wholesale distribution of petroleum, food, machinery, and from the

sale of electric power and the development of the natural resources of the province. There has actually been virtually nothing done in regard to any of these proposals. In the meantime, though, large sums of money have been sunk in the shoe factory, the wool factory, and the clay products factory in anticipation of substantial profits. These profits, of course, as every Marxist knows, will be derived from the exploitation of the workers in the plants in question. How large they will be remains to be seen, but there is reason to believe that some people in and around the government have been disappointed by the "un-cooperative attitude" of the trade unions in the industries in question, which have fought with some success for higher wages, and consequently against higher returns to the government.

Since the government has raised its funds in none of the ways it said it would, the question arises where actually has the increased revenue come from?

Briefly, it has been derived from:

1. High estimated revenue based on very high provincial income as a result of war-time prosperity. Such prosperity insures higher tax collections and greater liquor profits. But such prosperity as we have seen is passing away.

2. Retention of the Education Tax which only recently has been removed from food, and remains as before on all other items.

3. Head taxes like the one to raise the money to pay for hospitalization, which are regressive and bear most heavily on those least able to pay.

It will be seen that the government actually has no plans for carrying out its social reform program in such a way that wealth will be redistributed, and the load eased on the lower income sections of our population.

The Labor-Progressive Party puts forward a number of proposals for dealing with this situation:

1. Renewed fight for adequate assistance from the Dominion government.

2. Renewed fight to impose taxation on the Railways commensurate with their ability to pay.

3. Taxation on the big farms.

4. Changing taxes like the Hospital tax to provide that those who have the most money will pay the most taxes.

5. Equalization throughout the province of taxation on real property raised for the purpose of education.

In our opinion, this question of taxation represents the greatest single weakness that has to date been revealed in the administration of Saskatchewan by the CCF.

Third, the Saskatchewan government is to be criticized for its weakness in failing to remove from key positions in the provincial administration, Liberal and Tory heelers who have no sympathy with the needs of the people, and will do nothing but use their position to sabotage any reforms enacted by the government. Such a person is J. H. Williams, a Liberal heeler, who continues as Chairman of the Saskatchewan Minimum Wage Board. While retaining such elements in its service, the CCF dismisses progressives such as Watson Thomson and Edward Parker. All this indicates a desire to appease and win over the entrenched reactionary machine in the provincial civil service.

In short, the people of Saskatchewan had expected that the

CCF government would be a bulwark against reaction. Instead the CCF government has failed again and again to take up the battle against the monopolies. The people had expected that the reforms of the government would be paid for at the expense of the monopolies. Instead, the reforms are being paid for by the people, and in many cases those sections of the people least able to pay for them. More than this, it becomes ever clearer that the government intends to continue its present policies, unless public opinion forces it to do otherwise. As time goes on, the class character of the government becomes more apparent, speaking as it does mainly for the big farmers who are doing all right under present conditions, and feel quite complacent about the future, despite the fact that the smaller farmers and workers can see nothing in that future but now and deeper crisis.

With the provincial election approaching, it becomes important that most serious consideration be given by all Saskatchewan progressives to the problem of the government this province needs.

Precisely because of the weaknesses displayed by the CCF government, and the consequent disillusionment which has grown up amongst some of the most active and militant supporters of the CCF, a danger exists of reactionary victory in the next provincial election. I am not predicting that this will happen. All I am pointing out is that it could happen, and it is our duty to voice a very serious warning to this effect. It is not necessary to dwell at length on the records of the Liberal and Conservative parties in Saskatchewan. Save for one five year break, the Liberal Party was in office during the first thirty-six years of Saskatchewan's existence as a province. The Gardiner machine became notorious throughout Canada for its corruption. Saskatchewan lagged far behind all her sister Western provinces in the field of social legislation. Our public works and roads were in a scandalous condition. There was almost a complete absence of labor legislation. Indeed, it may be said that a large part of the Legislative and administrative program of the CCF government has consisted merely in bringing Saskatchewan up to the levels achieved under bourgeois governments in other Western provinces.

During the five years that the Liberals were not in office, we enjoyed the dubious benefits of a government dominated by the Conservative Party. This was in the early years of the depression. The Anderson government will forever be remembered by the people of Saskatchewan as the government of evictions and starvation. On that government rests the blood of the martyred miners of Estevan. In the three successive provincial elections the people of Saskatchewan have resolutely blocked the doors of the Legislative Assembly to the Conservative party, and not one Tory has ever set foot within its walls, since the defeat of the Anderson government.

It is rather from the Liberals that the main danger of reactionary victory now comes. This Party has been refurbished with a new leader, the wily Walter Tucker. They will conduct a determined and resourceful campaign. Never will they utter so much as a hint of their real intentions to scrap the reforms which have been enacted by the CCF. Rather they will play up every mistake the government makes, cleverly foster every feeling of dissatisfaction. They will talk much about what they are pleased to call freedom, which of course means freedom for the monopolies, and slavery for the people. They will link the CCF with the Communists, and both of them with totalitarianism and fascism, and thus seek to frighten the people into voting for their own worst enemies.

It must be emphasized that the election of the Liberals or a combination of Liberals and Tories would be an unmitigated disaster for Saskatchewan. The whole burden of the coming depression would be ruthlessly loaded on the people. The government would become the agents of the great mortgage companies who seek to drive most of the farmers off the land, and reduce the rest of the level of the Southern share-croppers. All the advanced labor legislation passed by the CCF government would be wiped from the

statute books. Surely, it is evident that all progressive forces in Saskatchewan must now determine that the old-line parties shall never again hold office in Saskatchewan, that instead they must be driven completely and forever from what positions they now hold.

I should like at this point to say a word about the Social Credit Party. The Social Credit government in Alberta has to some extent given expression to the anti-monopolist feelings of the people of our neighbor province, although the real direction of Alberta government policy has been revealed in the recent farm strike which Manning and Company condemned, and then called out the police to suppress. The national leadership of the Social Credit Party under Solon Low has striven to replace the Tory party as the most rabidly jingoistic, and openly reactionary Party in this country. They are loudly anti-Communist, Anti-Soviet, Anti-Semitic. Hlynka is the darling of the Ukrainian Nationalists. Jacques makes common cause with Gerald L. K. Smith, the notorious American fascist. In Saskatchewan, they have found a fitting Provincial Fuhrer in Dr. J. N. Haldeman, and are now busily engaged in nominating candidates all over the province. Undoubtedly they are seeking to develop their main basis amongst Ukrainian Nationalist and German Nazi sympathizers. They are not a serious threat as yet from the standpoint of winning power in Saskatchewan, but we cannot afford to underestimate them. While patiently explaining to honest rank and file social creditors the true colours of their leaders, we must conduct the most determined campaign to expose those leaders for the pack of fascist sympathizers that they are.

How will we insure the defeat of reaction in Saskatchewan in the next provincial election? By developing the broadest and most united fight for the carrying through of all progressive measures in the interests of the people. Out of this struggle for the immediate needs of the people will come that unity in action of the farmers and workers, of the CCF and the LPP which will be the guarantee that Saskatchewan will not go back to reaction.

But it is not enough that Saskatchewan should simply be saved from going back to reaction. Saskatchewan must move forward. The next Legislature must more closely reflect the aspirations of the common people—both farmers and workers. It must be a Legislature which fights for the people, which is a real bulwark against the monopolies. To achieve that kind of a legislature will also require the unity in action of the farmers and workers, of the CCF and the LPP—that unity in action which will be forged in the struggles for the immediate needs of the people.

More specifically, I think there are certain developments which need to take form in our province in order to guarantee the defeat of the reactionary agents of monopoly and the further progressive advance of our province. These are:

1. The Labor-Progressive Party, as the only socialist party in this province, as the only Party which never falters in the fight against capitalism, must bring forward candidates in those constituencies where the strength of our Party demands that the people have Socialist candidates to support. More, we must and will elect a number of these candidates to the Legislature. It is not our intention to try to elect Labor-Progressive government in this province in the next election. Our strength does not yet warrant such a perspective. But it most definitely is our intention to make our influence felt in the next Legislature by electing M.L.A.'s who will carry into the Legislature the fight for socialism and the people's needs, and who will conduct that fight in the light of the teachings of Marxism-Leninism.

2. There should also take place the entry directly and independently into the political struggles of the province of the strong young trade union movement, which must accept responsibility for seeing to it that representatives of labor sit in the next house who are free from the influence of Social reformist illusions.

3. The re-organized farm movement in Saskatchewan must take

a most active and alert interest in provincial political developments, not hesitating to criticize every failure of the CCF to serve the best interests of the farmers. It is possible that in certain constituencies independent farm candidates may come forward as a logical result of the development of farm organization criticism against certain of the CCF M.L.A's who prove themselves incapable of carrying forward the battles of the small farmers. It would be wrong, however, to attempt to draw up any blue-prints or to make any mechanical generalizations about the possibility of such developments at this time.

4. The left-wing of the CCF which exists in this province, although in a very amorphous and leaderless state, must begin to fight much more consciously for that unity of all progressive forces which is essential to the struggle for reforms now and socialism in the future. They must strive for an understanding of the fact that this fight outweighs in importance all considerations of partisan and personal advantage.

On the foundation of these developments, then, it will be possible to build the co-operation between farmer and labor organizations, and between the CCF and the LPP which will guarantee progress in Saskatchewan by electing a legislature truly representative of all progressive forces in the province.

It must be clearly emphasized that these are not proposals to replace the CCF with a farmer-labor or LPP government. They are proposals for the co-operation of the CCF with labor and farm organizations, and with the LPP in the interests of the people of Saskatchewan. No person in the CCF who is seeking to heighten the fight against monopoly, who honestly works for a better life for his fellow men and women, need fear these proposals in any way. They will be feared only by those elements in the CCF who seek to use their Party as a shield for big business.

These elements will seek to spread as much confusion as possible about the nature of our proposals. They will say that if we put forward LPP candidates, or if independent labor and farm candidates are nominated, it will lead to a split vote and the reactionaries will be elected. There is not one iota of truth in this accusation. Insofar as the LPP is concerned, we are ready now and will be ready every day between now and the closing of official nominations for the next provincial election to discuss with the CCF organization provincially and in each constituency the question of how one progressive candidate can be brought forward in each constituency to insure the defeat of Liberals and Tories. The only thing we are not prepared to agree to is that no one has a right to run except CCF'ers, and that all other progressives must give the CCF blind support.

Furthermore, the CCF has within its power the means of eliminating the danger of split progressive votes. They can carry out their election promise to introduce the single transferable ballot in Saskatchewan elections. Thus the low progressive candidate in each seat will be eliminated and his vote will count for the other progressive candidate who has a greater number of votes. Certainly, if the CCF fails to carry out its promises in this respect, it will have little basis for arguing that anybody else is splitting the progressive vote.

To sum up our position on the provincial elections, then:

1. We will work for the complete defeat of the parties of reaction, particularly the Liberals who represent the main threat.
2. To accomplish this, we will work to build farmer-labor, CCF-LPP unity around the immediate struggles of the people.
3. We will work for the election of a Legislature which will express within its composition that farmer-labor, CCF-LPP unity by containing representatives not only of the CCF but also of our

party as well as independent representatives of labor and farm organizations. Such a Legislature will guarantee that the weaknesses of the present CCF government are overcome. Such a Legislature will be a powerful instrument in the fight for progress and socialism.

I have dealt in this report at considerable length with the approach which the Provincial Executive feels our Party must make to the next Provincial election. This has been necessary because of the complexity of the problems involved. But it should not be assumed on this account that all the efforts of our Party during the next period will be devoted simply to electoral activity. We realize that elections are not won by progressives in that way. Elections are won as a result of the struggles which are set on foot, and the movements which arise out of those struggles.

The great issues which I set forth in the early part of this report provide the basis for developing a broad and mighty movement in Saskatchewan.

In the country, the first job to be done, and in which our party will wholeheartedly assist, is the building up of a powerful farm organization, with functioning local lodges in every community. In re-building the U.F.C. we will find that its truest and most solid supporters will be the small farmers who are faced with economic extinction as farmers by the inexorable working of the laws of capitalist development. The U.F.C. must be based solidly amongst the small farmers, and that position must be reflected in the leadership which should be representative in the main of small farmers.

We should work to clarify the understanding of the farmers as to the role of the co-operatives. The co-operatives perform a useful service to the farmers, but they are nevertheless commercial organizations functioning within the framework of monopoly capitalism. As such they cannot themselves lead the economic struggles of the farmers against monopoly. They cannot act as the spokesmen for the farmers. This is the task of the U.F.C., and this point must be brought home. At the same time, this does not mean that the progressive farmers should neglect their co-operatives. Instead, they should try much more actively than heretofore, to influence the policies of the co-operatives in a more progressive direction. Certainly, they should strive to so alter the policies of the co-operatives that in the future there will not be a re-occurrence of the disgraceful conduct of a number of officials who tried to limit the effectiveness of the farm strike in every possible way. While the farmers cannot expect the co-ops to lead their struggles for them, they have every right to demand that their co-ops will not try to hamstring them in their struggles.

The trade union movement also faces important organizational tasks. The recent successes in the organization of wholesale and retail workers demonstrates clearly that the period for the organization of the unorganized is not past. It will never be past as long as there are any workers left to organize. The organization of white collar workers, the extension of union organization into the smaller cities and larger towns, are immediate tasks on the agenda of the trade union movement. So also is the development of the wage struggle notably in the packing and railway industries where there is much just grounds for dissatisfaction on the part of the workers with their leaders. Nor should the unions in the crown corporations and civil service stand aloof from the struggle for higher wages. They are right in insisting that the Saskatchewan government must set an example to all other employers by paying the very best wages. The ties between the organized workers and organized farmers should be further strengthened. As we have already indicated, labor should come forward as an independent political force within the province. To all these objectives our party members in the trade unions will loyally and constructively work.

There are other very important organizations of the people who can be brought into the struggle -- the women's organizations vitally concerned about the fight for peace and the fight for price controls; the veterans organizations, many of whose members are faced with serious problems of re-establishment because of Federal policy dictated by the monopolies; as well as the youth organizations, and so on. Some of the problems which these organizations face will be discussed in more detail in the reports of the panels established to study these aspects of work. Suffice it to say, here too the members of our Party will be found to be the hardest and most effective workers.

The progressive movement in Saskatchewan should devote more attention to municipal affairs. The municipal councils can be involved much more fully in the defence of the interests of the people they represent, if more progressives seek and secure election to these bodies. Our Party in particular should devote more study to municipal problems so that we can develop a program of action suited to the needs of each municipality. Our Party members should be in the forefront of municipal politics, recognizing the excellent opportunity which exists to develop broad electoral unity around municipal issues which cannot but strengthen our fight for unity on the level of provincial politics.

Finally, and in some ways most important of all we must here at this convention resolve to greatly improve the independent work of our Party. Our Party must speak to the people on every issue which is of concern to them whether it is parity prices, milk subsidies, housing, the Education Tax, peace, or the preservation of democracy. We must constantly seek new ways of reaching the people with our message. We must become involved in big public discussions on the question of what is democracy, and on the issues of wages and prices, refuting the arguments of the capitalist press which holds that we are undemocratic or the other arguments which hold that higher wages mean higher prices. We must raise with the people not only great national and provincial issues, but also local issues as well. We must lead the struggles of the people around these issues which are so close to them - roads, better schools, and so on.

We must carry to the people the great message of socialism, which alone can free them from the bondage of slavery to monopoly capitalism. We must emphasize and re-emphasize that socialism is a goal to be won only through struggle.

To do these things we will have to greatly improve the level of political understanding of our own Party membership. We will have to hold more schools, organize more study classes and improve our educational work in the clubs. Our Party will be able to grapple with the tasks it faces, precisely to the extent that our grasp of the theory of Marxism-Leninism is strengthened. So we must, individually and collectively, study and re-study the great works of Marx and Engels, Lenin and Stalin. We must study our own Canadian Marxist materials, in the National Convention Reports, in NAM, in the Tribune. We must ourselves in a modest way try to contribute to the development of Marxist theory in Canada by carrying on research in the light of Marxist science into such questions as the development of capitalism in Western agriculture, the character of social democracy, the history of the farm struggles on the prairies.

If we do these things I am confident that we will be able to bring into our Party in the next few months hundreds of the finest and most militant people in our Province. Thus we will be able to fulfill the pledge we have made to our leader, Comrade Buck, to the National Committee and to all our comrades in every part of Canada that we will build the Party of Socialism in Saskatchewan. We will be able to promise them that in the stern time of testing that lies ahead of us all, the Party in this province will prove itself worthy of the finest fighting traditions of the Communist movement in our country.

